

Service Date: October 20, 1999

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

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IN THE MATTER OF U S WEST	)	UTILITY DIVISION
COMMUNICATIONS, INC., Application for	)	
Approval of a Decrease in Rates as a	)	DOCKET NO. D99.7.168
Result of HB 128 Tax Reductions	)	ORDER NO. 6194b

FINAL ORDER

On July 2, 1999, U S West Communications, Inc. (USWC), filed before the Public Service Commission (PSC) an application to reduce rates for telecommunications service provided by USWC in Montana. USWC's proposed reduction is in response to the 1999 Montana Legislature's HB 128 (now Ch. 426, L. 1999), a part of which reduces certain taxes pertaining to USWC and other telecommunications carriers, effective January 1, 2000. (Although HB 128 reduces certain taxes pertaining to telecommunications carriers, it also creates a 3.75 percent excise tax pertaining to telecommunications services.)

On July 22, 1999, the PSC publicly noticed USWC's application through a Notice of Application and Intervention Deadline. In response to that notice the Montana Consumer Counsel (MCC), AT&T Communications of the Mountain States, Inc. (AT&T), the Northwest Payphone Association (NWP), and Sprint Corporation (Sprint) requested intervention and were granted intervention as parties to the proceeding.

On October 15, 1999, USWC and all intervenors (MCC, NWP, AT&T, and Sprint) filed a stipulation for PSC approval. The stipulation agrees to USWC's proposed reduction in rates, as filed (i.e., as proposed) by USWC.

The PSC determines that the stipulation submitted for approval should be and is approved. Effective for service rendered on and after January 1, 2000, USWC shall reduce rates in accordance with its application. The approximate annual revenue reductions presented in USWC's application are \$3.73 million for residential basic local exchange service (approximately \$1.21 reduction in monthly bill), \$3.35 million for business local exchange service, \$1.68 million for IntraLATA toll service, and \$1.00 million for switched access service.

Done and dated this 18th day of October, 1999, by a vote of 5-0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

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DAVE FISHER, Chair

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NANCY MCCAFFREE, Vice Chair

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BOB ANDERSON, Commissioner

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GARY FELAND, Commissioner

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BOB ROWE, Commissioner

ATTEST:

Kathlene M. Anderson  
Commission Secretary

(SEAL)

NOTE: Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.